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**Sent:** 12/21/2017 9:32:29 PM  
**To:** Schwab, Justin [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=eed0f609c0944cc2bbdb05df3a10aadb-Schwab, Jus]  
**Subject:** EPA Oil and Natural Gas Production Regulations -- Low Producing Wells  
**Attachments:** IPAA-AXPC Coalition Comments on NODA with Attachments.pdf

Justin,

In the past, I've sent you various comments that IPAA has filed on the EPA methane/VOC regulatory package – NSPS Subparts OOOO and OOOOa and Control Techniques Guidelines for existing oil and natural gas production facilities in Ozone Nonattainment areas. Attached here are comments submitted on the recent EPA Notice of Data Availability proposal to alter compliance dates on several elements of Subpart OOOOa.

In general, these comments support EPA's proposal to extend compliance deadlines. One that is addressed specifically is the fugitive emissions program. In particular, the comments address the implications of EPA's decision to apply the requirements to low producing wells (15 b/d and less of oil; 90 mcf/d of natural gas) after initially proposing an exclusion for these wells.

Part of the issue with EPA technology and cost effectiveness determinations for the fugitive emissions program, which also applies to other requirements but less clearly, involves understanding the differences between production operations when wells are large producers and when they are low producing wells. EPA bases its analyses on large production facilities. However, because the fugitive emissions program places a perpetual cost on the operation, the cost effectiveness is very different when the well is new – at 5000 mcf/d, for example – than it is when at the average low producing well rate of 22 mcf/d.

EPA has the authority under the Clean Air Act to create subcategories when it structures NSPS. The oil and natural gas production industry is a good example of when it should use this authority. Technology and cost effectiveness determinations should be based on realistic operating conditions and the economics of these low producing wells.

IPAA would recommend that EPA – as it revisits the methane/VOC regulations for oil and natural gas production facilities – creates a low producing well subcategory. In early 2018, I'd like to discuss this concept and how to approach it with you.

Thanks,

Lee Fuller